



OFFICE OF PUBLIC INSTRUCTION

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Linda McCulloch
Superintendent

DATE: February 11, 2004

TO: School Food Authority Administrators

FROM: Christine Emerson, Director
School Nutrition Programs

SUBJECT: State Match Funds

Federal regulations require states to match a percentage of the school lunch reimbursement paid to school food authorities each year. Historically, School Nutrition Programs has paid for shipping, handling, storage, and processing of the commodity foods given to school food authorities with the state match funds rather than billing the schools for these services. The remaining balance of state match funds was then paid to public schools as a one-time payment each June. Commodities are offered to all schools participating in the National School Lunch Program on a fair share basis. The amount of commodities given to a school food authority is based on the previous year's number of average daily meals served to students.

For the 2002-03 school year, there were no remaining state match funds to pay to school food authorities. The funds were used to cover the additional processing of commodities, as well as the increased costs of storage and shipping commodity foods. This office does not anticipate a remaining balance of the state match funds to send to schools in June 2004. As a result of the 2002 Farm Bill, there are now more commodities provided to schools. Processing commodities provides schools with a convenient and safe product. For example, the processing of beef into hamburger patties allows for less handling of the raw food product.

If you have questions regarding the above information, please call Holly Humphrey, School Nutrition Programs Specialist, (406) 444-4413.